



Enhancements to Federal Reserve Bank Same-Day ACH Service, Request for Comments

RE: Docket No. OP-1515 Enhancements to Federal Reserve Bank Same-Day ACH Service,
Request for Comments

UMB Bank, n.a., a subsidiary of UMB Financial Corporation, provides a comprehensive suite of banking products and services through 108 banking centers and wealth management centers in eight states – Missouri, Illinois, Colorado, Kansas, Oklahoma, Nebraska, Arizona and Texas. UMB is a direct member of both NACHA and its regional payment association EPCOR.

UMB would like to thank the Federal Reserve Board for providing UMB the opportunity to comment on enhancements to current optional FedACH® SameDay Services. UMB encourages industry efforts to improve the U.S. payment system through ubiquitous, safe and fast electronic solutions that meet the needs of financial institutions and end users.

The Board requests comment on whether the interbank fee included in NACHA's amended operating rules equitably reapportions the initial implementation costs and ongoing operating costs between ODFIs and RDFIs.

UMB applauds the Federal Reserve for fostering dialogue around NACHA's Same Day ACH and encourages the Board's full support for incorporating faster payment services into Operating Circular 4. As evolving technology continues to produce a wide range of payment alternatives, it is critical for the financial industry to seek new or expand legacy system capabilities to remain relevant in a highly competitive environment. UMB believes the calculated interbank fee helps provide balanced business rationale between originating and receiving financial institutions of all sizes. UMB understands that RDFI participation is a crucial component to successful ubiquitous same day ACH processing. Including a cost recovery mechanism helps RDFI's recoup costs associated with supporting same day capabilities; ultimately increasing adoption for enhancements of such significance.



The Board requests comment on making receipt of same-day ACH transactions mandatory for all RDFIs. If commenters believe that participation by RDFIs should not be mandatory, the Board requests comment on why the Reserve Banks' same-day ACH service should remain optional and whether there are non-mandatory alternatives to achieving ubiquity.

UMB Bank agrees with NACHA and the Federal Reserve that a major component for success as it relates to "Same Day ACH" services is the ubiquitous nature of the proposal. Communication provided by the Federal Reserve on May 21st 2015 indicated "the Federal Reserve's own experience with an optional service clearly demonstrates, a faster payments capability needs to reach all financial institutions in order to offer real value to consumer and businesses that want to move their money faster". UMB believes required participation insures eligible same day items are processed with a level of confidence and settlement among all participants will occur throughout the Same Day workflow. Continuing to offer this service on an opt-in basis may limit the nature of NACHA's proposal in addition may reduce certainty of industry wide participation.

In conclusion, UMB agrees with enhancements to modernize the ACH network with ubiquitous Same Day ACH processing. UMB strongly encourages the Federal Reserve Board help provide the ACH network with the appropriate tools to ensure it remains relevant in a highly competitive environment. UMB also believes it is critical for the Federal Reserve to evaluate the comments in a timely manner and issue a prompt opinion to avoid any potential delays.

Thanks again the opportunity to comment on this important request for same day ACH service